

Optimising Fleet Management and Maintenance Arrangements

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Why?



- Cuts
- Cuts
- · More cuts

What do we mean by optimisation?



- Minimum input cost to achieve given level of output/outcome?
- Maximum value for minimum cost?
- Ideal service configuration to achieve an expected result

What do	we	need	to	know
about?				



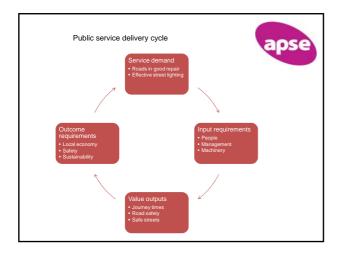
- What are the required outputs?
- How these relate to the outcomes?
- In other words understand demand

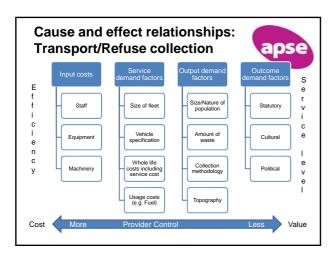
Understanding demand

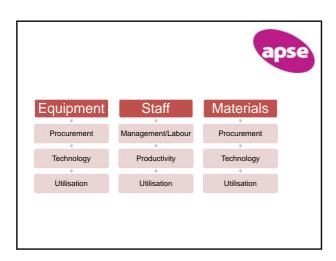


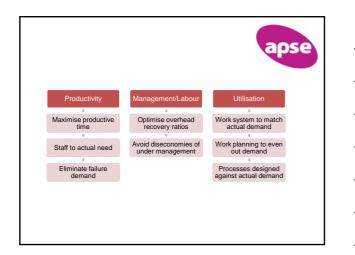
- Where does service demand come from?
 - Customers and stakeholders
- What's the balance between planned and reactive service?
- How much demand is failure demand?
- What are the 'must haves'?
- What are the 'would be betters'?
 - Would they generate extra income?

Value for money? Cost • Wages • Equipment • Facilities Price • Charges • Budgets • Subsidy Value • Public health • Social well • Social well • Social well • Mop up costs









What really matters?



Outputs

- Vehicle life time costs
- Vehicle utilisation levels
- · Vehicle availability
- Vehicle usage costs

Inputs

- Workshop throughput
- Productivity
- Right first time
- Overhead recovery ratios
- Fleet/strategy management
- Driver behaviour

Key indicators- PN



- Time spent in workshop
- Percentage passing DoE first time
- Average weighted maintenance cost
- Staff absence
- Number of bays/ramps per vehicle/per mechanic

Work systems



- Staff to deliver against actual expected demand
- No overtime
- · No stand by payments
- No enhanced out of hours payments
- · Increased staff utilisation
- Pay that reflects the actual job not just the bit that is done between 9 and 5
- Empowerment and accountability

Wasted activity



- Failure demand
 - Redoing what was not done right first time
 - Catch up repair work
- Frequency driven demand
 - Doing things that don't need doing to meet a spec
- · Duplicate activity
 - Client/contractor split

Planning a service review Define Measure Analyse Improve Control

Once optimised – what happens then?



- Demand achieved through best use of resources
 - Outputs achieved
 - Outcomes met
- Resources inadequate to deliver against actual demand
 - Service failure

Service failure or service reduction: Cause and Effect Service failure to meet demand Reduced efficiency Unplanned allocation of resources Tealure to meet demand builds up Demand builds up

So how do we avoid service failure?



- First optimise resources
- Innovation e.g. Electrification, telematics
- Income generation to off-set cost
- · If resources are still inadequate
 - Salami slicing
 - Spiral of decline
 - Planned service reduction
 - Political decision
 - Based on evidence from officers

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Lean tools and techniques apse



- · Voice of customer
 - What do we need to do
 - Establishing the must have, critical to quality aspects of services
- Statistical analysis
 - How well are we doing it?
 - Does actual work correlate with planned work?
- Process actual work controlled the process act
- Direct observation (work study)
 - Ensuring workers work at work
 Eliminating activity that does not contribute to meeting actual demand for the service

But lean is not a doctrine - what works works

A balanced approach to performance measurement Service delivery Plan What does it cost? •Staffing costs •Equipment/building costs Customer/user perceptions Performance against financial and delivery targe

Efficiency issues



- How far can it go?
 - The truth is we don't know but surely we need to find out
 - Concept of continual improvement
- So why have we not done it before?
 - Because it is really hard
 - Because it requires change in the way we do
 - Because it requires a change in thinking

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